



## **SPECIAL COMMON COUNCIL MEETING**

### **JULY 1, 2013**

### **6 P.M.**

#### **Special Meeting**

The Special meeting of the Common Council of the City of Middletown was held in the Council Chamber of the Municipal Building on Monday, July 1, 2013 at 6 p.m.

#### **Present**

Deputy Mayor Robert P. Santangelo and Council Members Thomas J. Serra, Mary A. Bartolotta, Gerald E. Daley, Hope Kasper, Grady L. Faulkner, Jr., Philip J. Pessina, Joseph E. Bibisi, Linda Salafia, Todd G. Berch, and Deborah Kleckowski; Sergeant-at-arms Police Chief William McKenna, and Common Council Clerk Marie O. Norwood.

#### **Absent**

Mayor Daniel T. Drew, Council Member Ronald P. Klattenberg and Corporation Counsel Daniel B. Ryan.

#### **Also Present**

Public Works Director William russo, Finance Director Carl Erlacher, Director of IT William Oliver, Planning, Conservation, and Development Director William Warner, Water and Sewer Director Guy Russo, Parking Director Geen Thazhampallath, City Attorney Brig Smith, Acting Personnel Director Kathy Morey, Deputy Chief of Police Michael Timbro, Acting Parks and Recreation Director Deb Stanley, Tax Assessor Damon Braasch, Fire Chief Gary Ouellette, Director of Communications Wayne Bartolotta, Director of Human Relations Faith Jackson, Director of Health Joseph Havlicek, MD, Arts Coordinator Stephan Allison, City and Town Clerk Sandra Driska, Emergency Management Director Bruce Driska, Russell Library Director Arthur Meyers, Youth Services Coordinator Justin Carbonella Joseph Samolis Administrative Aide to the Mayor and 2 members of the public.

#### **Meeting Called to Order**

The Acting Chair, Deputy Mayor Robert P. Santangelo calls the meeting to order at 6:05 p.m. He asks Guy Russo, Director of Water and Sewer to lead the public in the Pledge of Allegiance.

#### **Call of Meeting Read**

The Call of the meeting is read and accepted. The Acting Chair declares this call a legal call and the meeting a legal meeting.

#### **Workshop Opens**

Councilman Bibisi is recognized and asks to address questions to Bill Warner, Director of Planning, Conservation, and Development. Councilman Bibisi asks about an agenda item; Mr. Warner responds there is a mistake on the agenda; the resolution is correct. Councilman Bibisi asks about the Helfant property; Mr. Warner describes the property and discusses it is cut by the Blue Trail which is a nationally recognized trail. It has a lot of Mountain Laurel and a house can be built there. It is the second highest property in Maromas and the third highest in Middletown. We were approached by Mrs. Helfant and can buy it for \$150,000. He states the City should pursue it. Councilman Bibisi states it is a beautiful piece of property and urges his colleagues to vote for it. Mr. Warner states it has a trail system and once it is publicized, this would be popular because of the trail system. It is a loop and he describes it.

Councilwoman Kasper asks for the City Attorney. She asks about the easement; is it on the property. Attorney Smith responds it is adjacent. She has additional questions.

#### **Noted for the Record**

Councilman Pessina takes his seat in the chamber at 6:07 p.m.

Councilwoman Kasper states there doesn't appear to be access to the property. Attorney Smith responds the property is land locked. Mr. Warner comes forward and describes the easement. It is on all the properties and on the CL & P property there is an easement that is deeded and it is by necessity. Councilwoman Kasper states is it State or CL & P land. Mr. Warner responds the easement is on the front property. There is a road and all the deeds reference the wood road going back to the other property. Councilwoman Kasper states if we use the trail and the owner objects, will we have the right. Mr. Warner states the trail has been used by the public for 40 years and it has the Blue Trail and Congress designated it a national trail. Councilwoman Kasper states the blue trail connects the two. Mr. Warner responds yes.

Councilman Serra asks for Carl Erlacher and Bill Warner. His concern is paying for open space with LoCIP money and the process relative to LoCIP and I do not have the recent LoCIP policy. I understand what you

want to do and I disagree, did you follow the procedure, the plan for conservation and development that recommends to us the property. If we go this route, it seems it should be an appropriation

Mr. Warner responds it started with an appropriation and the Finance Director preferred LoCIP. Tina Gomes contacted the State on using LoCIP for open space acquisition. It was changed by the legislature this year and it is in writing from the State that the program funds can be used for this.

**Noted for the Record**

Councilwoman Bartolotta and Councilman Faulkner enter the chamber at 6:12 p.m.

Councilman Serra asks if it comes to us 80 days after Conservation approves. Mr. Warner responds that is the plan. Councilman Serra states he is not comfortable with this. We use LoCIP for improvements, so what is your reaction to that. We are taking \$100,000 from \$300,000; how do we fix things.

**Noted for the Record**

Councilwoman Kleckowski enters the chamber at 6:13 p.m.

Finance Director Erlacher states we do have \$300,000 and if something qualifies for LoCIP then I strongly urge using LoCIP. Once we know we can use LoCIP for a certain project, I would recommend their use. Councilman Serra states this is a first. Mr. Erlacher responds correct and it is brand new. Councilman Serra states they modified the criteria because we have more money. I am uncomfortable doing this and I understand as well, we have received some of the money. Mr. Erlacher responds there are a lot of things we try to improve that doesn't qualify for LoCIP and if it does qualify we should use LoCIP. Councilman Serra asks if open space is capital improvement. It was changed and we used to have much more money. Mr. Erlacher replies if we come up with \$200,000 that is LoCIP eligible, we still have money in LoCIP and we have eaten away the fund balance. You are better using LoCIP and if it runs out then use the fund balance.

Councilman Berch asks Mr. Erlacher what is the current balance. He responds we used the whole balance from last year, \$20,000 left and we are receiving \$320,000 for this year. Councilman Berch asks what the project of use of the money. Mr. Erlacher states we use it for emergencies, something that pops up. There are a lot of restrictions it can be used for and it can't be equipment. We use it when we can with what qualifies and what doesn't, we will bring forward a CNR plan or an appropriation. We will bring forward the CNR plan and if it doesn't meet LoCIP, it will be an appropriation. Councilman Berch states do you know what you need. Mr. Erlacher responds they are doing it now; once we get it, then I can see if LoCIP can be used. Councilman Berch states it would reduce it to \$200,000. Mr. Erlacher states or you reduce the fund balance. Last year, you used \$1.7 million. Councilman Berch asks about agenda item 10F regarding the solar panels on Remington Rand and what the intent is for this. Mr. Warner responds they worked with Greenskies and came up with two power purchases to produce a megawatt of power. Greenskies looked at Wilson Middle School and the High School for z-rec credits and they have won those. We continue to look at Remington Rand and they lease space to store the solar panels. They felt they could put solar panels on the roof; it has the right orientation. He told them they couldn't do that until a new roof is put on the building. They would do that and put the panels on using z-recs. The bottom line is we are financing a roof with our electric bill and it is dependent on normal grid power over the next 20 years; if it goes up or down. If you look at the increases over the next 20 years, a power increase by 3% we will save on the electric bill and we get a new roof. A 3% growth in cost is a reasonable percentage with natural inflation. The power company over 20 years will not reduce rates. It is a good deal for us. They can do things we can't do. Greenskies pays taxes and they will get federal tax credit and z-rec from the State. They will get 40-50% from the federal government that they will sell and they will do well and it puts a roof on our building. Councilman Berch states they want to put 77 panels. Mr. Warner responds yes. Councilman Berch states there is nothing in the resolution about engineering and who pays for that to bear the weight of the panels. Mr. Warner states we have a power purchase agreement and our inspectors will have to insure that it can be held. Councilman Berch asks if it can be a friendly amendment to the resolution. Mr. Warner states it will go into the power agreement. Councilman Berch states his contention is they will pay for the engineer and pay if anything is necessary that needs to be done before the roof and array goes on. Mr. Warner states we will only pay the electric bill. We will pay 40% for solar and 60% for CL & P. They will pay for everything for the next 20 years.

Councilman Pessina asks about the contract and he reads they will pay us taxes. Mr. Warner responds yes. He states it is 70% and it is personal property and has depreciation value. It came out to \$20,000 a year over seven years to about \$8,000 and nine and ten it is fully depreciated at \$6,000. We are negotiating the personal agreement to pay taxes.

Councilwoman Bartolotta states to clarify they will be responsible for them for 20 years and after 20 years we will be responsible for them. Mr. Warner responds after 20 years, the purchase value goes down and the price would be after 20 years \$180,000. After 20 years, we have to decide. They lose their ability to produce electricity over time. The agreement says we can buy it or it has to be removed from the roof. Councilwoman Bartolotta states the City has an option and they have to put it back to whole if the City doesn't buy them.

Councilman Faulkner asks if it (Helfant purchase) is coming from the general fund. Mr. Warner states he put in an appropriation for \$100,000 and Director Erlacher suggested LoCIP and you can substitute the resolution. Councilman Faulkner states if they go LoCIP option, is that the plan going forward. Mr. Warner responds there would never be enough money. In this case we are fortunate to buy 50 acres and we have \$50,000 in the open space account. Councilman Faulkner states when was the declaration made when we would get it and how much. Carl Erlacher comes forward to respond. He states we give a loan from the general fund and wait for the return of funds from the State. Councilman Faulkner asks about the timing when it comes available. Mr. Erlacher responds the turnaround is not long; we function. We apply for reimbursement and before they put a LoCIP application in front of you, we check to make sure it is LoCIP eligible.

**Noted for the Record**

Councilman Daley takes his seat at 6:30 p.m.

Councilman Faulkner states when we spend \$200,000 when is the next LoCIP funding. Mr. Erlacher responds every March we get the allotment.

Councilman Pessina asks Mr. Erlacher the discussion has been about spending money; what is the current balance in the general fund. Mr. Erlacher responds around \$14.2 and undesignated fund projection is \$13 million. Councilman Pessina asks the change from the balance from last year. Mr. Erlacher replies from \$14.2 to \$13. Councilman Pessina states I know our fund balance is pretty good, but we could do better; the last Finance and Government meeting, we have close to \$12. Mr. Erlacher states between \$12.5 and \$13 and we have had collections this last week. If we have a pot of money, we should use it and something could pop up that is not LoCIP eligible and you would have to appropriate money. Councilman Pessina states that is why you would use LoCIP funds. He is nervous; you know how much we took from LoCIP funding last year that cropped up and I am leery about the amount of money should something tragic happen in the City. Mr. Erlacher states if you take \$100,000 from the general fund you have \$100,000 less to use. Mr. Erlacher states during budget you look for every bit of fund balance contribution. To defray \$100,000, you know you can use it later. Councilman Pessina states you told Finance and Government that interest rates are low. Mr. Erlacher states yes; we bonded at 1.65%. They just went up this week. We hit the market at the right time. Councilman Pessina states he agrees with your thinking.

Councilwoman Bartolotta asks about the Board of Education resolution regarding returning money. I want to clarify during budget there was question about the \$224,000 and it was accounted for in our budget plan and then I was told there wasn't money. Mr. Erlacher asks for clarification of the question. Councilwoman Bartolotta states the original monies of over \$224,000 is not being given back. Mr. Erlacher responds they have encumbered the full amount and we have not done an accounting of the full amount as yet and how much is coming back. He is not 100% sure what they will be returning to the general fund from last year. He looks at the resolution. He states this is the first seeing the resolution and it looks like that the excess cost grant funds were returned to the City roughly \$224,000 and now these funds will be returned to the BOE. Councilwoman Bartolotta states those are monies we counted on in the budget. Mr. Erlacher states I would have to see \$224,000 if it is the monies we already received or what they are returning. If it is the excess cost grant, it is what we received in February and we were told to keep. He did include it in his projection. The State did also give us extra funding this year. He states it is the undesignated funds that was not part of the Council budget. If we give this over to them, the City could absorb that amount. We did receive an extra \$3 million of funding and we will use it for CNR planning. We will use those monies for CNR for various departments. After that Councilman Serra preached to me, it would go back to the fund balance to be used for the next budget season. Councilwoman Bartolotta states we are not certain how much we would receive from the Board. Mr. Erlacher responds they encumber all teacher salaries until September and until we know what that is, I won't know how much until the end of August.

Councilman Faulkner asks for Bill Russo, Public Works. He states he got an email from a department director about the status about the garage. Mr. Russo states the Council will get a whole handout about it. They are talking to the Engineering Department; it is structurally sound and they do not recommend keeping repairing it. Councilman Faulkner states we will be replacing it. Mr. Russo responds he strongly believes so.

The Acting Chair asks Guy Russo, Director of Water and Sewer to come forward. He asks about the resolution on the agenda and what it is for. Mr. Russo replies it is the Water Department CNR and we do it annually. We have salvaged CNR from previous years and added to it \$500,000 and summed it together. It is a sinking fund for well redevelopment and repairs and expansion to the system.

### **Workshop Closes**

The Acting Chair asks if there are any other questions. Hearing none, he asks for a motion to adjourn.

### **Meeting Adjourns**

Councilman Pessina moves to adjourn and is seconded by Councilman Faulkner; the vote is called and it is unanimous to approve. The Acting Chair declares the meeting adjourned at 6:43 p.m.

ATTEST:

MARIE O NORWOOD  
Common Council Clerk